

A Crash Course in Tax Service Marketing

**Marketing Strategies to
Increase Your Company's Sales
and Profits!**

June 28, 2005

Outline

- Learn About Your Market
- Set Your Business Goals
- Grow Your Client Base
- Strengthen Your Client Relationships

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*P's of Marketing

- Product or Service
- Price
- Placement /Distribution
- Promotion
- Positioning
- Plan
- People
- Profit

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Unique Selling Position

- Dentist
- McDonalds
- Bowling Alley
- Minivan
- Starbucks

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Business quiz

- What business are you in?
- What products/services do you provide?
- What customers do you target?
- What are your SMART goals?
- How will you achieve these goals?
- What is your unique selling position?

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Learn About

Your Market =

SWOT

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Segmentation

No single business strategy is appropriate for all possible clients.

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*Segmentation

- Demographics – gender, age, income, occupation, etc.
- Psychographics - behavior patterns, lifestyles
- Geographics – where people live
- Socio-cultural – religion, race, marital status

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Segmentation

No use selling ice to
Eskimos when there is
a ready market in
Florida!

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*Target Market

- Choose a niche large enough to grow and make a profit, yet small enough to defend.

Your best defense is exceeding customer expectations!

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Target Market

Find something special
about your tax service and
make your target market
aware!

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Tax Service Segmentation

- Race/Culture
- Low income
- 1st time filers
- Disabled
- 18 wheel truck drivers

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Example

Can you choose to serve a wealthier client market segment?

- *Less price sensitive*
- *Greater loyalty*

*Competition

- Names & addresses
- Key personnel
- Target markets
- # of employees
- Income \$\$
- Market share
- Key Customers
- Years in business
- Strengths
- Weaknesses

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***Is Competition....**

- Adding new locations?
- Changing pricing strategy?
- Remodeling?
- Increasing advertising?
- Adding people?
- Using internet?
- Adding new services?
- Increasing business hours?

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***While you are.....**

- Losing clients?
- Losing market share?
- Losing sales volume?
- Experiencing cash flow problems
- Having high employee turnover?
- “Following” the leader?

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***You vs Competition**

Customer needs.....

- 24/7
- Price
- Broad product line
- Service
- Location
- Speed
- Well trained staff

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*Customer needs

- Face-to-face office feedback
- Suggestion box in your office
- Short survey in a direct mail
- Telephone survey
- Focus group

Enlist your local school or university to help!

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***Customer needs**

- What they like about your tax service?
- What they are unhappy about your tax service?
- What they would like in a perfect world?

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Clients Buy Solutions

What problems does your product/service solve?

Make a list of all possible needs your service satisfies.



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Customer needs

- Fast
- Easy
- Secure
- Accurate
- Inexpensive

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Set Your Business Goals

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*Metrics

If you can't measure it, you can't manage it!

- Income
- Profit
- Market Share
- Office Traffic
- Inquiries
- Complaints
- Press releases
- Direct mail responses

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Business Goals

- Increase income
- Find more clients
- Work smarter not harder
- Drop pain-in-the-a__ clients

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***SMART Business Goals**

- Increase income 12% in fiscal 2006
- Increase customer base 15% in fiscal 2006
- Focus 80% of time on 20% top revenue clients in fiscal 2006
- Eliminate lowest 10% revenue clients in fiscal 2006
- Double revenue by 12/31/08

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Strategies/Tactics

- Raise my fee
- Hire an associate
- Start a new location
- Advertise in the local paper
- Partner with local college

These are NOT goals!

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Grow Your Client Base

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Selling Your Tax Services

Find prospective
clients and let them
know about your tax
service!

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*Prospecting

Every day “Four-Plan”: Give four new people your business card
=1000/year

- Write and send four hand written notes =1000/year
- Make four “cold” phone calls =1000/year
- Ask for four referrals =1000/year

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Prospecting Sources

- Former/existing clients
- Friends
- Toastmasters
- Community business groups
- Trade publications
- Volunteer

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***Referrals**

Word of mouth is not passive!

- Ask customer, friends for referrals
- Send thank you notes hand written
- Send birthday and holiday cards
- Make it easy to contact you -Yellow pages, email, phone, web site

Copy other businesses!

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Advertise

- Most clients have no idea that you are in business
- Once they know you, do they know what you do?
- How are you different?
- Persuade client to “try you”

Use a professional! AIDA

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AIDA

A Attention

I Interest

D Desire

A Act

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***Advertise**

What you want to tell clients?

- *Host a special event*
- Have a “sale”
- *Trade show*
- News release
- *Public speech*
- Letter to editor
- *Partner with other businesses*
- Volunteer
- *Toastmasters, Chamber of Commerce,*

Rotary
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*Pricing strategy

*Small business can not afford to
compete on price.....compete
on Value! Value! Value!*

- Do not use price as your competitive advantage
- Do not use price to enter a market

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Pricing Strategy

Base on:

- value to client – don't guess
- your cost
- your profit objectives
- your competition

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Strengthen Client Relationships

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***Pareto's rule**

- 80% of your business comes from 20% of your customers
- Keep the 20% happy and returning
- “Mine” the other 80% for the nuggets
- Prospect for new high return clients

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Loyal Clients

68% of clients who take their business elsewhere do so because they believe your company could not care less if they remain a client.

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Loyal clients

- Make it easy to do business with you
- Stand behind your service
- Communicate, communicate, communicate

Build Relationships!

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Loyal clients

- Reminders for appointments
- Special occasion cards
- Staff's friendliness
- Expertise
- Service consistency
- Customization

Define your clients' needs!

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***The Golden Rules**

- Return phone calls/emails quickly
- Personally make a delivery
- Convenient location(s)
- Adequate parking
- Convenient hours
- Neat office/creative signage/nice furniture
- Promise PM, deliver AM
- Say “thank you” often

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*Summary

- Learn About Your Market = *SWOT*
- Set Your Business Goals = *SMART*
- Grow Your Client Base = *20/70/10*
- Strengthen Your Client Relationships = *C.A.S.T.*

“A Crash Course in Marketing”, David H. Bangs & Andi Axman, ISBN1-58062-254-2

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***Thank you!**

SIMON SAYS “Thank you” for allowing me to share my ideas and experiences on tax service marketing with you. For more information on training/consulting from SIMON SAYS Consulting, please call 303-399-2879, email sulmer@aol.com or write:

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